## AMENDED IN ASSEMBLY APRIL 3, 2006

CALIFORNIA LEGISLATURE—2005-06 REGULAR SESSION

## ASSEMBLY BILL

No. 2150

## Introduced by Assembly Member McCarthy (Principal coauthor: Assembly Member Plescia)

February 21, 2006

An act relating to public school instruction. An act to add Article 1.7 (commencing with Section 48006) to Chapter 1 of Part 27 of the Education Code, and to amend Section 130105 of the Health and Safety Code, relating to preschool.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2150, as amended, McCarthy. Pupils: prekindergarten instruction. Preschool: California Ready to Start Program: funding.

Existing law requires the Superintendent of Public Instruction to establish and administer the Kindergarten Readiness Pilot Program, until July 1, 2013, to permit school districts to provide opportunities for children to enhance their readiness for kindergarten and thereby increase their likelihood for future academic success.

Existing law, the California Children and Families First Act of 1998, which was enacted by Proposition 10, an initiative measure approved by the voters at November 3, 1998, statewide general election, imposes taxes on cigarette distribution and tobacco products and requires the funds generated therefrom to be deposited in the California Children and Families First Trust Fund, which is available for appropriation and allocation to, among others, the California Children and Families First Commission for expenditure for, among other things, mass media communications relating to the purposes of the act and the administrative functions of the commission. The

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existing act provides that it may not be amended except by a statute that furthers the purposes of the act and is enacted by a  $^{2}$ /<sub>3</sub> vote of each house of the Legislature.

This bill would establish the California Ready to Start Program under the administration of the Superintendent for the purpose of providing opportunities for children to enhance their readiness for kindergarten and thereby increasing their likelihood for future academic success.

The bill would establish the California Ready to Start Program Fund in the State Treasury. The bill would make money in the fund available, upon appropriation, for allocation by the Superintendent for the purposes of the California Ready to Start Program.

The bill would require the Superintendent to establish a competitive grant program to allow school districts to apply for funds to establish a district Ready to Start Programs pursuant to these provisions.

The bill would delete certain provisions allocating funds from the California Children and Families First Trust Fund to the commission for specified mass media communications and the administrative functions of the commission and, instead, would require those funds to be deposited in the California Ready to Start Program Fund and be available, upon appropriation, for expenditure for the purposes of the California Ready to Start Program.

The bill would set forth a legislative finding and declaration that the bill furthers the purposes of the California Children and Families First Act of 1998.

Existing law provides the adopted course of study for kindergarten and grades 1 to 12, inclusive, and requires a school district to offer instruction on a variety of subjects.

This bill would provide the intent of the Legislature to enact legislation to provide a cost-effective, 5-week intensive academic program that prepares 4-year-old children for kindergarten.

Vote: majority-<sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 1.7 (commencing with Section 48006) is 2 added to Chapter 1 of Part 27 of the Education Code, to read: -3- AB 2150

Article 1.7. California Ready to Start Program

48006. (a) The Legislature hereby finds and declares all of the following:

- (1) The Legislature intends the California Ready to Start Program established under this article to further the purposes of, and be consistent with, the California Children and Families First Act of 1998 (Proposition 10, approved by the voters at the November 3, 1998, statewide general election), within the meaning of Section 8 of that act.
- (2) The Legislature intends the California Ready to Start Program to promote the importance of quality early childhood development and school readiness at the community level so that children enter kindergarten ready to learn.
- (3) The Kern County Ready to Start Program has shown significant signs of providing a costeffective, intensive academic program that prepares four-year-old children for kindergarten in only five weeks.
- (4) The Kern County Ready to Start Program has shown that spending money directly on programs for children, rather than administration and media campaigns, can cost-effectively prepare children for kindergarten.
- (5) If replicated on a statewide basis, the Kern County Ready to Start Program could meet all the academic goals of a preschool program at a fraction of the costs of existing state programs, and without the attendant heavy-handed state bureaucracy and expensive administration.
- (6) The State Auditor has found that a significant portion of revenues intended by the voters to be used to promote, support, and optimize early childhood development under the California Children and Families First Act of 1998 have been wasted on administration, overhead, and media campaigns.
- (7) The State Auditor's report found that some local commissions receiving funding under the California Children and Families First Act of 1998 used as little as 15 percent of their revenue on actual childhood development programs, and many maintained significant reserves rather than funding programs for children.
- (8) The State Auditor's report also found that as much as 25 percent of the revenues that some local commissions received

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under the California Children and Families First Act of 1998
were spent on administrative expenses.

- (b) Accordingly, it is the intent of the Legislature, in order to further the purposes of California Children and Families First Act of 1998, to allocate a portion of the funds appropriated pursuant to that act to fund the California Ready to Start Program and thus provide a cost-effective means for California's children to enter school ready to learn.
- 48006.2. The California Ready to Start Program is hereby established under the administration of the Superintendent for the purpose of providing opportunities for children to enhance their readiness for kindergarten and thereby increase their likelihood for future academic success.
- 48006.4. The California Ready to Start Program Fund is hereby established in the State Treasury. The money in the fund shall be available, upon appropriation, for allocation by the Superintendent for the purposes of the California Ready to Start Program.
- 48006.6. The Superintendent shall establish a competitive grant program to allow school districts to apply for funds to establish a district Ready to Start Program pursuant to this article.
- SEC. 2. Section 130105 of the Health and Safety Code is amended to read:
- 130105. The California Children and Families Trust Fund is hereby-created *established* in the State Treasury.
- (a) The California Children and Families Trust Fund shall consist of moneys collected pursuant to the taxes imposed by Section 30131.2 of the Revenue and Taxation Code.
- (b) All costs to implement this—aet *division* shall be paid from moneys deposited in the California Children and Families Trust Fund.
- (c) The On or before November 3, 1999, the State Board of Equalization shall determine within one year of the passage of this act the effect that additional taxes imposed on cigarettes and tobacco products by this act under Section 30131.2 of the Revenue and Taxation Code has on the consumption of cigarettes and tobacco products in this state. To the extent that a decrease in consumption is determined by the State Board of Equalization to be the direct result of additional taxes imposed by this act under

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1 Section 30131.2 of the Revenue and Taxation Code, the State

- 2 Board of Equalization shall determine the fiscal effect the
- 3 decrease in consumption has on the funding of any Proposition
- 4 99 (the Tobacco Tax and Health Protection Act of 1988) state
- 5 health-related education or research programs in effect as of
- 6 November 1, 1998, and the Breast Cancer Fund programs that
- 7 are funded by excise taxes on cigarettes and tobacco products.
- 8 Funds shall be transferred from the California Children and
- 9 Families Trust Fund to those affected programs as necessary to
- 10 offset the revenue decrease directly resulting from the imposition
- 11 of additional taxes by this act under Section 30131.2 of the
- 12 Revenue and Taxation Code. These reimbursements shall occur,
- and at any times, as determined necessary to further the intent of
- this subdivision.
  - (d) Moneys shall be allocated and appropriated from the California Children and Families Trust Fund as follows:
  - (1) Twenty percent shall be allocated and appropriated to separate accounts of the state commission for expenditure according to the following formula:
  - (A) Six percent shall be deposited in a Mass Media Communications Account for expenditures for communications to the general public utilizing television, radio, newspapers, and other mass media on subjects relating to and furthering the goals and purposes of this act, including, but not limited to, methods of nurturing and parenting that encourage proper childhood development, the informed selection of child care, information regarding health and social services, the prevention and cessation of tobacco, alcohol, and drug use by pregnant women, the detrimental effects of secondhand smoke on early childhood development, and to ensure that children are ready to enter school.

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(A) Five percent shall be deposited in an Education Account for expenditures to ensure that children are ready to enter school and for programs relating to education, including, but not limited to, the development of educational materials, professional and parental education and training, and technical support for county commissions in the areas described in subparagraph (A) of paragraph (1) of subdivision (b) of Section 130125.

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(B) Three percent shall be deposited in a Child Care Account for expenditures to ensure that children are ready to enter school and for programs relating to child care, including, but not limited to, the education and training of child care providers, the development of educational materials and guidelines for child care workers, and other areas described in subparagraph (B) of paragraph (1) of subdivision (b) of Section 130125.

<del>(D)</del>

- (C) Three percent shall be deposited in a Research and Development Account for expenditures to ensure that children are ready to enter school and for the research and development of best practices and standards for all programs and services relating to early childhood development established pursuant to this act, and for the assessment and quality evaluation of those programs and services.
- (E) One percent shall be deposited in an Administration Account for expenditures for the administrative functions of the state commission. Any funds not needed for the administrative functions of the state commission may be transferred to the Unallocated Account described in subparagraph (F), upon approval by the state commission.

<del>(F)</del>

- (D) Two percent shall be deposited in an Unallocated Account for expenditure by the state commission for any of the purposes of this act described in Section 130100 provided that none. Not more than 2 percent of these moneys the funds deposited in the account under this subparagraph shall be expended for the administrative functions of the state commission.
  - (G) In the event that, for whatever reason,
- (E) If the expenditure of any moneys allocated and appropriated for the purposes specified in subparagraphs (A) to (F) (D), inclusive, is enjoined by a final judgment of a court of competent jurisdiction, then those moneys shall be available for expenditure by the state commission for mass media communication emphasizing the need to eliminate smoking and other tobacco use by pregnant women, the need to eliminate smoking and other tobacco use by persons under 18 years of age, and the need to eliminate exposure to secondhand smoke.

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(F) Any moneys allocated and appropriated to any of the accounts described in subparagraphs (A) to-(F) (D), inclusive, that are not encumbered or expended within any applicable period prescribed by law shall (together with the accrued interest on the amount) revert to and remain in the same account for the next fiscal period.

- (G) Seven percent shall be deposited in the California Ready to Start Program Fund established under Section 48006.4 of the Education Code.
- (2) Eighty percent shall be allocated and appropriated to county commissions in accordance with Section 130140.
- (A) The moneys allocated and appropriated to county commissions shall be deposited in each local Children and Families Trust Fund administered by each county commission, and shall be expended only for the purposes authorized by this act division and in accordance with the county strategic plan approved by each county commission.
- (B) Any moneys allocated and appropriated to any of the county commissions that are not encumbered or expended within any applicable period prescribed by law shall (together with the accrued interest on the amount) revert to and remain in the same local Children and Families Trust Fund for the next fiscal period under the same conditions as set forth in subparagraph (A).
- (e) All grants, gifts, or bequests of money made to or for the benefit of the state commission from public or private sources to be used for early childhood development programs shall be deposited in the California Children and Families Trust Fund and expended for the specific purpose for which the grant, gift, or bequest was made. The amount of any such the grant, gift, or bequest shall not be considered in computing the amount allocated and appropriated to the state commission pursuant to paragraph (1) of subdivision (d).
- (f) All grants, gifts, or bequests of money made to or for the benefit of any county commission from public or private sources to be used for early childhood development programs shall be deposited in the local Children and Families Trust Fund and expended for the specific purpose for which the grant, gift, or bequest was made. The amount of any such the grant, gift, or bequest shall not be considered in computing the amount

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1 allocated and appropriated to the county commissions pursuant to 2 paragraph (2) of subdivision (d).

3 SEC. 3. The Legislature hereby finds and declares that this 4 act furthers the purposes of the California Children and Families 5 First Act of 1998, within the meaning of Section 8 of that act.

SECTION 1. It is the intent of the Legislature to enact legislation to provide a cost-effective, five-week intensive academic program that prepares four-year-old children for kindergarten.